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Deputy Chief Counsel for ORS

October 29, 2018

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

**Re: Application of Duke Energy Carolinas, LLC for Approval of Establishment of
Schedule WC (SC) – Residential Water Heating Service
Docket No. 1984-423-E**

Dear Ms. Boyd:

By this letter, the South Carolina Office of Regulatory Staff (“ORS”) hereby notifies the Public Service Commission of South Carolina (“Commission”) that ORS has reviewed and supports the proposal as outlined in the letter submitted on October 17, 2018, on behalf of Duke Energy Carolinas, LLC (“DEC”) in the above referenced Docket. DEC seeks to end the voluntary Residential Water Heating Service Controlled/Sub metered Schedule WC (“Program”) due to current economics.

The Program historically allowed customers to choose to have their water heaters controlled by the Company in exchange for paying a lower rate for the power used to operate the water heater. Current financial analysis indicates that the cost of the Program is greater than the savings generated by the load shifting allowed by the Program. In addition, the technology used to control the water heaters has been deactivated, and although the Company is no longer controlling participants’ water heaters, they are continuing to receive the lower Schedule WC kilo-watt hour charge. Accordingly, the Company seeks to close Schedule WC and terminate the Program.

Letter – Jocelyn G. Boyd, Esquire
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Thank you for the opportunity to provide comments.

Sincerely,

A handwritten signature in blue ink, appearing to read 'A. Bateman', with a long horizontal flourish extending to the right.

Andrew M. Bateman

cc: All Parties of Record (via E-mail)
Joseph Melchers, Esquire (via E-mail)